

**TOWN OF HARTLAND**

**Report and**  
**Consolidated Financial Statements**

**December 31, 2021**

# INDEX SCHEDULE

## INDEPENDENT AUDITOR'S REPORT

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## **INDEPENDENT AUDITOR'S REPORT**

To Her Worship the Mayor and Members of Council  
**TOWN OF HARTLAND, New Brunswick**

### **Opinion**

We have audited the consolidated financial statements of the Town of Hartland (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2021 and the consolidated statements of operations and accumulated surplus, consolidated statement of changes in net debt, and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

(continued)

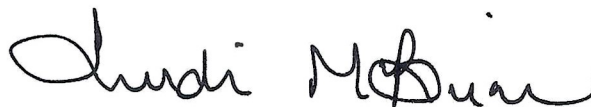
**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of those consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**CHARTERED PROFESSIONAL ACCOUNTANT**

**HARTLAND, NB**

**JUNE 1, 2022**



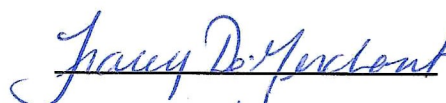
**TOWN OF HARTLAND**  
**Consolidated Statement of Operations**  
For The Year Ended December 31, 2021

	2021		2020
	(Unaudited)		
	Budget		
	(Note 20)	Actual	Actual
	\$	\$	\$
<b>Revenue</b>			
Property tax warrant	1,304,504	1,304,504	1,303,484
Services provided to other governments	292,716	293,402	245,993
Sale of services, fines and other fees	109,000	69,589	67,910
Other revenue from own sources	169,000	137,306	141,673
Unconditional grant	47,034	47,034	43,372
Other government transfers	-	125,301	109,426
Water and sewer user fees	375,116	402,768	404,689
Interest	3,250	849	1,906
Other	-	10,894	2,447
	<u>2,300,620</u>	<u>2,391,646</u>	<u>2,320,901</u>
<b>Expenditures</b>			
General government services	388,220	268,172	437,133
Protective services	757,705	684,574	671,515
Transportation services	467,430	495,728	457,516
Environmental health services	76,000	58,200	83,475
Environmental development services	109,345	137,825	80,811
Recreation and cultural services	359,600	413,330	433,435
Water and sewer	340,303	509,635	295,683
	<u>2,498,603</u>	<u>2,567,464</u>	<u>2,459,569</u>
Annual surplus (deficit) (Note 18)	<u>(197,983)</u>	<u>(175,818)</u>	<u>(138,668)</u>
Accumulated surplus (deficit), beginning of year		<u>4,430,270</u>	<u>4,568,938</u>
Accumulated surplus (deficit), end of year		<u><u>4,254,452</u></u>	<u><u>4,430,270</u></u>

**TOWN OF HARTLAND**  
**Consolidated Statement of Financial Position**  
 As At December 31, 2021

	2021 \$	2020 \$
<b>Financial assets</b>		
Cash (Note 3)	2,204,450	689,695
Accounts receivable		
General	12,941	20,392
Federal government and its agencies (Note 4)	72,942	25,894
Investments (Note 5)	10,872	10,823
	<u>2,301,206</u>	<u>746,804</u>
<b>Liabilities</b>		
Bank loan (Note 11)	-	360,000
Accounts payable and accrued liabilities (Note 6)	331,043	182,426
Deferred revenue (Note 7)	1,456,322	40,175
Long term debt (Note 8)	1,003,000	785,000
Accrued sick leave and other benefits (Note 9)	97,245	62,919
	<u>2,887,610</u>	<u>1,430,520</u>
<b>NET ASSETS (DEBT)</b>	<u>(586,404)</u>	<u>(683,716)</u>
<b>Non financial assets</b>		
Tangible capital assets (Note 16)	12,807,330	12,774,265
Accumulated amortization	(8,034,806)	(7,660,279)
	<u>4,772,524</u>	<u>5,113,986</u>
Inventory	7,392	-
Prepaid expenses	60,940	-
	<u>4,840,856</u>	<u>5,113,986</u>
<b>ACCUMULATED SURPLUS</b>	<u>4,254,452</u>	<u>4,430,270</u>

Approved by:

 Mayor

 Chief Administrative Officer

**TOWN OF HARTLAND**  
**Consolidated Statement of Change in Net Debt**  
**For The Year Ended December 31, 2021**

	2021 \$	2020 \$
Annual surplus (deficit)	(175,818)	(138,668)
Acquisition of tangible capital assets	(85,594)	(549,049)
Proceeds on disposal of tangible capital assets	74,800	-
Amortization of tangible capital assets	374,527	373,515
Gain on sale of tangible capital assets	(22,271)	-
	165,644	(314,202)
Acquisition of inventories	(7,392)	-
Acquisition of prepaid assets	(60,940)	-
	(68,332)	-
(Increase)/decrease in Net Assets (Debt)	97,312	(314,202)
Net Assets (Debt), beginning of the year	(683,716)	(369,514)
Net Assets (Debt), end of the year	(586,404)	(683,716)

**TOWN OF HARTLAND**  
**Consolidated Statement of Cash Flows**  
For The Year Ended December 31, 2021

	2021 \$	2020 \$
<b>Increase (decrease) in cash and cash equivalents</b>		
<b>Operating transactions</b>		
Annual surplus (deficit)	(175,818)	(138,668)
Gain on disposal of tangible capital assets	(22,271)	-
Amortization of tangible capital assets	374,527	373,515
Receivable - General	7,451	9,469
Receivable - Federal Government and its agencies	(47,049)	(5,925)
Receivable - Province of New Brunswick	-	1,839
Inventory	(7,392)	-
Prepaid expenses	(60,940)	-
Payables and accruals	148,617	(146,378)
Deferred revenue	1,416,147	(9,258)
Accrued sick leave	34,326	9,438
	1,667,598	94,033
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(85,594)	(549,049)
Proceeds on disposal of tangible capital assets	74,800	-
	(10,794)	(549,049)
<b>Financing transactions</b>		
Bank loan	(360,000)	153,636
Long term debt - issued	360,000	-
Long term debt - repayment	(142,000)	(139,000)
	(142,000)	14,636
<b>Investing transactions</b>		
Investments	(49)	(116)
<b>Net (decrease) increase in cash and cash equivalents</b>	1,514,755	(440,496)
<b>Cash and cash equivalents, beginning of the year</b>	689,695	1,130,191
<b>Cash and cash equivalents, end of the year</b>	2,204,450	689,695

**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
**For The Year Ended December 31, 2021**

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**1. PURPOSE OF THE ORGANIZATION**

The Town of Hartland (the "Town") was incorporated as a Town by the Province of New Brunswick Municipalities Act on October 2, 1918 and was approved for status as a Municipality effective October 2, 1918. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The Municipality has adopted Public Sector Accounting Standards (PSAS) as of January 1, 2011.

The focus of PSAS financial statements is on the financial position of the Town and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Town.

Significant aspects of the accounting policies adopted by the Municipality are as follows:

**Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town.

Interdepartmental and organizational transactions and balances are eliminated.

Members of the Hartland Fire Department participate in various fund raising activities to help purchase equipment. The Town does not have any control of the fundraising activities or the funds raised, and does not have access to the financial information. These figures, therefore, are not included in the consolidated financial statements of the Town.

**Budget**

The budget figures contained in these financial statements were approved by Council on November 13, 2020 and the Minister of Local Government on December 14, 2020.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks. Bank borrowings are considered to be financing activities.

**Revenue recognition**

Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Other revenue is recorded when it is earned. Donations are recognized as revenue in the year received.

**Expenditure recognition**

Expenditures are recorded on an accrual basis



## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **Use of estimates**

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

### **Financial instruments**

The Town's financial instruments consist of cash, short-term investments, accounts receivable, due from the Province of New Brunswick, due from the Federal Government, bank loan, payables and accruals, deferred revenue and long-term debt. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Town is subject to credit risk through accounts receivable. The Town minimizes credit risk through ongoing credit management.

### **Tangible capital assets**

Effective January 1, 2011, the Town adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

<b>Asset Type</b>	<b>Years</b>
Buildings	25 years
Vehicles	8 years
Machinery and equipment	10-30 years
Heavy equipment	10-15 years
Computer hardware & software & communication equipment	7-10 years
Furniture & fixtures	15 years
Road surface	15-30 years
Lighting / traffic lights	20-25 years
Water and wastewater networks	40-100 years

Assets under construction are not amortized until the asset is available for productive use.

**TOWN OF HARTLAND****Notes To The Consolidated Financial Statements**For The Year Ended December 31, 2021

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Segmented information**

The Town is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

General government services

This department is responsible for the overall governance and financial administration of the Town. This includes council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

Protective services

This department is responsible for the provision of policing services, fire protection, emergency measures, animal control and other protective measures.

Transportation services

This department is responsible for common services, roads and streets maintenance, street lighting, traffic services, parking and other transportation related functions.

Environmental health services

This department is responsible for the provision of waste collection and disposal.

Environmental development services

This department is responsible for planning and zoning, community development, tourism and other municipal development and promotion services.

Recreation and cultural services

This department is responsible for the maintenance and operation of recreational and cultural facilities, including the swimming pool, arena, parks and playgrounds and other recreational and cultural facilities.

Water and Wastewater Systems

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

**Inventory of supplies**

Inventory is valued at the lower of cost and net replacement cost.

**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
For The Year Ended December 31, 2021

**3. CASH**

	2021	2020
	\$	\$
Cash – restricted (Reserve Fund)	471,196	402,923
Cash – restricted (Deferred Funds) (Note 7)	1,456,322	40,175
Cash – unrestricted	276,932	246,597
	<u>2,204,450</u>	<u>689,695</u>

**4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES**

	2021	2020
	\$	\$
Canada Revenue Agency (HST refund)	36,305	25,894
Canada Revenue Agency (payroll deductions overpayment)	36,637	-
	<u>72,942</u>	<u>25,894</u>

**5. INVESTMENTS**

The investments consist of a guaranteed investment certificate with a maturity date of July 15, 2022 and interest rate of 0.2000%.

**6. GOVERNMENT REMITTANCES PAYABLE**

Government remittances as at year end were \$- (2020 - \$50,442) relating to payroll deductions are included in accounts payable and accrued liabilities.

**7. DEFERRED REVENUE**

The deferred revenue consists of funds raised or donated for the following purposes

	2021	2020
	\$	\$
Central Carleton Community Complex (Note 14)	1,435,286	18,389
Bridge Committee	20,971	21,721
Dr. Walter Chestnut Library	65	65
	<u>1,456,322</u>	<u>40,175</u>

**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
For The Year Ended December 31, 2021

**8. LONG TERM DEBT**

	2021 \$	2020 \$
<u>New Brunswick Municipal Financing Corporation</u>		
General Capital Fund Debentures		
BJ17 1.250% - 3.700%, due 2023, OIC #12-0064 (Protective Services)	55,000	81,000
BN15 1.05% - 3.15%, due 2025, OIC #13-0038 (Protective Services)	74,000	92,000
BT14 2.100% - 3.450%, due 2028, OIC #17-0095 (Transportation Services)	210,000	237,000
BZ16 0.300% - 2.300%, due 2031, OIC #20-0028 (Protective Services)	360,000	-
BW24 1.95% - 2.45%, due 2029, OIC #17-0011 (Transportation Services)	108,000	120,000
	<u>807,000</u>	<u>530,000</u>
Utility Capital Fund Debentures		
BP16 1.200% - 2.950%, due 2026, OIC #06-0018	102,000	121,000
BG16 1.650% - 3.400%, due 2022, OIC #11-0077	9,000	18,000
BR16 1.65% - 2.35%, due 2022, OIC #06-0030	25,000	49,000
BW25 1.95% - 2.45%, due 2029, OIC #17-0011	60,000	67,000
	<u>196,000</u>	<u>255,000</u>
	<u><u>1,003,000</u></u>	<u><u>785,000</u></u>

Principal repayment for the next five years is as follows:

	\$
2022	178,000
2023	149,000
2024	123,000
2025	125,000
2026	110,000

**9. ACCRUED SICK LEAVE**

The Town provides sick leave that accumulates at 1.5 days per month for each full-time employee. All employees can accumulate up to a maximum of 200 sick leave days. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave for up to a maximum of 90 days.

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The unfunded liability was \$97,245 December 31, 2021 and \$62,919 on December 31, 2020.

**10. CONTINGENCIES**

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2021 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Town maintains insurance coverage in amounts considered appropriate.



**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
For The Year Ended December 31, 2021

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## **11. SHORT TERM BORROWINGS COMPLIANCE**

### **Interim borrowing for capital**

The Town has arranged a revolving operating facility bearing interest at prime for the General Fund. The facility is used to provide interim financing for capital expenditures.

The Town has ministerial authority for short-term borrowings as follows:

General Capital Fund, # 22-0015 \$ 6,599,700, see also Note 14.

### **Operating borrowing**

As prescribed in the Local Governance Act, borrowing to finance General Fund operations is limited to 4% of the Town's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2021, the Town has complied with these restrictions.

### **Inter-fund borrowing**

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in next the year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

## **12. WATER AND SEWER FUND SURPLUS/DEFICIT**

The Local Governance Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year; the balance of the surplus/deficit at the end of the year consists of:

	2021 \$	2020 \$
2021 Surplus	33,323	-
2020 Surplus	140,857	140,857
2019 Surplus	-	92,356
	<u>174,180</u>	<u>233,213</u>

## **13. WATER COST TRANSFER**

The Town's water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Local Governance Act based upon the applicable percentage of water system expenditures for the population.



**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
**For The Year Ended December 31, 2021**

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**14. CENTRAL CARLETON COMMUNITY COMPLEX**

On April 28, 2022, it was announced that the Government of Canada and the Government of New Brunswick would be investing funds towards the construction of the Central Carleton Community Complex, located in the Town. The new Complex will feature a year round accessible facility, and include an indoor walking track, multipurpose room, canteen, community room, storage, kitchen and dressing rooms. It is estimated that site excavation will begin in August or September 2022 and the Complex will be completed and open by March 2024.

The Complex will be funded as follows

Government of Canada investment	3,600,000
Government of New Brunswick investment	2,999,700
Town of Hartland, Debenture	998,000
Town of Hartland, Debenture	842,000
Private sector donations	<u>1,435,505</u>
	<u><u>9,875,205</u></u>

The Town received ministerial approval for the debenture of \$998,000 for a term not to exceed twenty years and interim financing of \$6,599,700 for a term not to exceed three years (approval #22-0015 on March 8, 2021) and the debenture of \$842,000 for a term not to exceed twenty years (approval #22-0026, dated March 14, 2022).

The Town has received private sector donations of \$1,435,286 as of December 31, 2021 (2020 - \$18,389).

**15. GLOBAL PANDEMIC**

During the year, the impact of COVID-19 in Canada and on the global economy increased significantly. As the COVID-19 pandemic continues, there could be further impact on the Town, its employees and suppliers that could affect the timing and amounts realized on the Town's assets and future ability to provide services and products.

Given that COVID-19 is evolving, with the duration and full impact not known at this time, it is not practical to assess, or determine, the future financial impact on the Town at this time.

**TOWN OF HARTLAND**

Notes To The Consolidated Financial Statements  
For The Year Ended December 31, 2021

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**16. SCHEDULE OF TANGIBLE CAPITAL ASSETS**

SCHEDULE OF TANGIBLE CAPITAL ASSETS										
	Infrastructure									
	Buildings and land improvements	Vehicles	Machinery and equipment	Roads and street	Treatment facilities	Water and sewer	Small equipment	2021 Total	2020 Total	
COST	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	452,200	1,238,305	50,394	2,992,580	3,110,424	1,571,486	3,280,006	78,870	12,774,265	12,225,216
Add:										
Net additions during the year	3,000	-	-	82,594	-	-	-	-	85,594	549,049
Disposals during the year	-	-	-	(17,729)	(34,800)	-	-	-	(52,529)	-
Balance, end of year	455,200	1,238,305	50,394	3,057,445	3,075,624	1,571,486	3,280,006	78,870	12,807,330	12,774,265
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	566,414	31,500	1,588,931	2,636,602	951,524	1,814,017	71,291	7,660,279	7,286,764
Amortization during the year	-	49,400	6,300	153,187	64,640	39,280	59,520	2,200	374,527	373,515
Less:										
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	615,814	37,800	1,742,118	2,701,242	990,804	1,873,537	73,491	8,034,806	7,660,279
NET BOOK VALUE OF TANGIBLE CAPITAL										
	455,200	622,491	12,594	1,315,327	374,382	580,682	1,406,469	5,379	4,772,524	5,113,986
Consists of:										
General Fund Assets	411,500	622,491	6,297	1,315,327	374,382	-	-	5,379	2,735,376	2,974,650
Water & Sewer Fund Assets	43,700	-	6,297	-	-	580,682	1,406,469	-	2,037,148	2,139,336
	455,200	622,491	12,594	1,315,327	374,382	580,682	1,406,469	5,379	4,772,524	5,113,986

**TOWN OF HARTLAND**

Notes To The Consolidated Financial Statements  
For The Year Ended December 31, 2021

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**17. SCHEDULE OF SEGMENT DISCLOSURE**

	General \$	Protective \$	Transportation \$	Environmental health \$	Environmental development \$	Recreation and culture \$	Water and sewer \$	2021 Consolidated \$	2020 Consolidated \$
<b>Revenues</b>									
Property tax warrant	234,645	457,967	282,520	45,935	66,090	217,347	-	1,304,504	1,303,484
Services provided to other governments	-	269,117	24,285	-	-	-	-	293,402	245,993
Sale of service, fines and other fees	-	-	-	-	-	69,589	-	69,589	67,910
Other revenue from own sources	108,323	-	-	-	28,983	-	-	137,306	141,673
Unconditional grant	8,460	16,512	10,186	1,656	2,383	7,836	-	47,034	43,372
Other government transfers	125,301	-	-	-	-	-	-	125,301	109,426
Water and sewer user fees	-	-	-	-	-	-	402,768	402,768	404,689
Interest	49	-	-	-	-	-	800	849	1,906
Other	-	-	-	-	-	-	10,894	10,894	2,447
	476,778	743,596	316,992	47,592	97,456	294,772	414,461	2,391,646	2,320,901
<b>Expenses</b>									
Salaries and benefits	123,984	323,480	118,434	-	40,298	228,000	205,337	1,039,534	920,311
Goods and services	85,128	209,898	141,782	58,200	82,828	163,730	196,095	937,661	917,714
Amortization	11,630	107,200	117,210	-	14,700	21,600	102,187	374,527	373,515
Interest	2,228	15,278	9,640	-	-	-	6,016	33,161	68,328
Other	45,202	28,718	108,661	-	-	-	-	182,581	179,701
	268,172	684,574	495,728	58,200	137,825	413,330	509,635	2,567,464	2,459,569
<b>Surplus (Deficit) For The Year</b>	208,606	59,022	(178,736)	(10,609)	(40,370)	(118,558)	(95,174)	(175,818)	(138,668)

18. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2021 Annual Surplus (Deficit)	191,695	(272,340)	7,014	(102,187)	-	-	-	-	(175,818)
Adjustments To Annual Surplus (Deficit) For Funding Requirements									
Second previous year's surplus (deficit)	(30,227)	-	92,356	-	-	-	-	-	62,129
Transfers between funds									
Transfer from water & sewer operating fund to the general operating reserve fund	23,800	-	(23,800)	-	-	-	-	-	-
Transfer from general operating fund to the general operating reserve fund	-	-	-	-	-	-	-	-	-
Transfer from general operating fund to the general capital fund	(107,866)	107,866	-	-	-	-	-	-	-
Transfer from general operating fund to the general capital reserve fund	(185,794)	-	-	-	-	185,794	-	-	-
Transfer from general operating fund to the water & sewer capital fund	-	-	-	-	-	-	-	-	-
Transfer from general reserve fund to the general operating fund	82,500	-	-	-	-	(82,500)	-	-	-
Transfer from general reserve fund to the general capital fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer operating fund to the water & sewer capital reserve fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer reserve fund to the water & sewer operating fund	-	-	-	-	-	-	-	-	-
Long-term debt principal repayment	(83,000)	83,000	-	-	-	-	-	-	-
Long-term debt principal repayment	-	-	(59,000)	59,000	-	-	-	-	-
Provision for sick leave accrual	17,574	-	16,753	-	-	-	-	-	34,327
Amortization expense	-	272,340	-	102,187	-	-	-	-	374,527
Total adjustments to 2021 annual surplus (deficit)	(283,013)	463,206	26,309	161,187	-	103,294	-	-	470,983
2021 Annual Fund Surplus (Deficit)	(91,317)	190,866	33,323	59,000	-	103,294	-	-	295,165

**TOWN OF HARTLAND**

Notes To The Consolidated Financial Statements  
For The Year Ended December 31, 2021

**19. STATEMENT OF RESERVES**

	General Operating Reserve \$	General Capital Reserve \$	Water & Sewer Operating Reserve \$	Water & Sewer Capital Reserve \$	2021 Total \$	2020 Total \$
<b>Assets</b>						
Cash	-	409,331	-	61,866	471,196	402,923
Investments	-	10,872	-	-	10,872	10,823
Receivable from Water and Sewer Operating Fund	-	-	-	70,000	70,000	-
Payable to General Operating Fund	-	-	-	(35,000)	(35,000)	-
<b>Accumulated Surplus (Deficit)</b>	-	420,202	-	96,866	517,068	413,746
<b>Revenue</b>	-	420,202	-	96,866	517,068	413,746
Transfers from Water and General Operating Funds	-	185,794	-	-	185,794	202,447
Interest	-	49	-	(21)	28	1,098
<b>Expenditures</b>	-	185,843	-	(21)	185,822	203,545
<b>Annual Surplus (Deficit)</b>	-	(82,500)	-	-	(82,500)	(223,721)
	-	103,343	-	(21)	103,322	(20,176)

<u>Name of Investment</u>	<u>Principal Amount \$</u>	<u>Interest Rate %</u>	<u>Date of Maturity</u>
Non - Redeemable GIC	10,872	0.2000	July 15, 2022



**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
**For The Year Ended December 31, 2021**

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**19. STATEMENT OF RESERVES (continued)**

Moved By: Councillor Patterson


Seconded By: Councillor Boone

BE IT RESOLVED that \$50,000 be transferred from the General Operating Fund to the General Reserve Fund to fund future expenditures.

Motion Carried

I hereby certify that the above is a true and exact copy of the resolution adopted at meetings of Council on December 22, 2021

  
\_\_\_\_\_  
Chief Administrative Officer  
Town of Hartland

  
\_\_\_\_\_  
Date

The document entitled *Town of Hartland Five - Year Capital Investment Plan for the GTF Administrative Agreement 2019 - 2023* was adopted by Council on June 15, 2020. With this resolution, all projects outlined within this plan were approved, and individual resolutions for transfers relating to Gas Tax Fund receipts or expenditures are not required. During 2021, the following transactions occurred:

\$82,500 was transferred from the General Capital Reserve Fund to the General Operating Fund to fund approved expenditures.

\$135,794 was transferred from the General Operating Fund to the General Capital Reserve Fund to fund approved expenditures in the future.



**TOWN OF HARTLAND**

Notes To The Consolidated Financial Statements  
For The Year Ended December 31, 2021

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**20. OPERATING BUDGET TO PSA BUDGET**

	Operating Budget General \$	Operating Budget Water & Sewer \$	Amortization TCA \$	Controlled Entities \$	Other \$	Transfers \$	Total \$
<b>Revenues</b>							
Property tax warrant	1,304,504	-	-	-	-	-	1,304,504
Services provided to other governments	292,716	-	-	-	-	-	292,716
Sale of service, fines and other fees	109,000	-	-	-	-	-	109,000
Other revenue from own sources	169,000	-	-	-	-	-	169,000
Unconditional grant	47,034	-	-	-	-	-	47,034
Other transfers	129,206	-	-	-	-	(129,206)	-
Water and sewer user fees	-	375,116	-	-	-	-	375,116
Interest	2,500	750	-	-	-	-	3,250
Surplus/(deficit) of second previous year	(30,227)	92,356	-	-	-	(62,129)	-
	2,023,733	468,222	-	-	-	(191,335)	2,300,620
<b>Expenditures</b>							
General government services	376,590	-	11,630	-	-	-	388,220
Protective services	632,328	-	107,200	-	-	18,177	757,705
Transportation services	340,397	-	117,210	-	-	9,823	467,430
Environmental health services	76,000	-	-	-	-	-	76,000
Environmental development services	94,645	-	14,700	-	-	-	109,345
Recreational and cultural services	338,000	-	21,600	-	-	-	359,600
<b>Fiscal services</b>							
- Long-term debt repayments	83,000	59,000	-	-	-	(142,000)	-
- Interest	28,000	16,122	-	-	-	(44,122)	-
- Unaccrued sick time	-	-	-	-	-	-	-
- Transfer from the General Operating Fund to the General Capital Reserve Fund	54,773	-	-	-	-	(54,773)	-
- Transfer from the Water and Sewer Operating Fund to the Water and Sewer Reserve Fund	-	41,900	-	-	-	(41,900)	-
Water and sewer	-	351,200	102,187	-	-	(113,084)	340,303
	2,023,733	468,222	374,527	-	-	(367,879)	2,498,603
<b>Surplus (Deficit)</b>	-	-	(374,527)	-	-	176,544	(197,983)

**TOWN OF HARTLAND**  
**Notes To The Consolidated Financial Statements**  
**For The Year Ended December 31, 2021**

**21. REVENUE AND EXPENDITURE SUPPORT**

	2021		2020
	(Unaudited) Budget	Actual	Actual
	\$	\$	\$
<b>Revenue</b>			
Services other governments			
Fire	269,116	269,116	221,670
Transportation	21,750	22,213	21,751
Lane marking	1,850	2,073	2,572
	292,716	293,402	245,993
Other own source			
Rentals	-	34,022	42,853
Licenses, permits and fines	9,000	2,175	3,970
Tourism	-	28,983	6,542
Gifts & miscellaneous	35,000	49,855	88,308
Gain on disposal of capital assets	125,000	22,271	-
	169,000	137,306	141,673
<b>Expenditures</b>			
General government services			
Legislative			
Mayor	7,500	7,500	5,200
Councilors	49,700	38,818	45,171
	57,200	46,318	50,371
Administrative and other			
Office salaries and benefits	177,000	86,770	196,570
Office building	25,000	34,166	53,852
Solicitor	12,000	663	6,000
Other	68,468	58,386	63,006
	282,468	179,985	319,428
Financial management			
External audit	8,000	10,273	15,121

**TOWN OF HARTLAND****Notes To The Consolidated Financial Statements**

For The Year Ended December 31, 2021

**21. REVENUE AND EXPENDITURE SUPPORT (continued)**

	2021		2020
	(Unaudited) Budget	Actual	Actual
	\$	\$	\$
Other			
Training and development	2,322	100	774
Public liability	9,840	878	6,279
Amortization	11,630	11,630	11,630
Interest	-	2,228	16,953
Cost of assessment	16,760	16,760	16,577
	40,552	31,596	52,213
	388,220	268,172	437,133
Protective services			
Fire			
Administration	5,860	21,560	3,200
Firefighting force	43,000	53,711	61,362
Alarm system	37,500	30,791	24,645
Equipment and supplies	150,700	115,271	127,618
Water purchased	60,000	60,000	60,500
Training and development	54,000	3,653	250
Station and building	45,300	46,502	35,517
Amortization	107,200	107,200	110,750
	503,560	438,688	423,842
Police			
R.C.M.P.	228,208	228,208	227,718
Emergency measures	5,000	-	-
Other			
Animal control	2,760	2,400	2,400
Interest	18,177	15,278	17,555
	20,937	17,678	19,955
	757,705	684,574	671,515

**TOWN OF HARTLAND****Notes To The Consolidated Financial Statements**

For The Year Ended December 31, 2021

**21. REVENUE AND EXPENDITURE SUPPORT (continued)**

	2021		2020
	(Unaudited)		
	Budget	Actual	Actual
	\$	\$	\$
Transportation services			
Common services			
Administration	143,000	122,264	146,993
General equipment	45,000	82,361	45,628
Workshop and building	35,000	31,416	33,312
	223,000	236,041	225,933
Roads and streets			
Summer maintenance	25,000	49,800	36,927
Sidewalks	-	3,108	-
Culverts	-	2,513	8,076
Snow removal	45,000	47,017	24,024
Street lighting	35,000	30,399	38,195
Street signs	-	-	1,261
Traffic lane marking	5,000	-	-
Engineering and planning	7,397	-	-
Amortization	117,210	117,210	107,285
Interest	9,823	9,640	15,814
	244,430	259,687	231,583
	467,430	495,728	457,516
Environmental health services			
Waste collection and disposal	76,000	58,200	83,475
Environmental development services			
Industrial parks and commissions	10,000	6,962	2,954
Tourism	20,000	79,072	33,142
Tourism promotion	2,500	1,330	892
Beautification and land rehabilitation	9,000	3,945	4,079
Community planning and development	53,145	31,816	27,441
Amortization	14,700	14,700	12,000
Interest	-	-	303
	109,345	137,825	80,811



**TOWN OF HARTLAND****Notes To The Consolidated Financial Statements**

For The Year Ended December 31, 2021

**21. REVENUE AND EXPENDITURE SUPPORT (continued)**

	2021		2020
	(Unaudited)		
	Budget	Actual	Actual
	\$	\$	\$
Recreation and cultural services			
Administration	62,500	95,464	74,679
Swimming pool	47,000	52,971	42,948
Arena	165,000	206,931	248,796
Parks and playgrounds	5,000	5,575	1,642
Library	58,500	30,789	35,174
Amortization	21,600	21,600	21,600
Interest	-	-	8,596
	359,600	413,330	433,435
Water and sewer			
Water Supply			
Administration	-	67,102	-
Purification and treatment	-	4,834	4,891
Source of supply	59,996	74,325	44,728
Transmission and distribution	85,000	96,792	61,092
Amortization	61,312	61,312	66,150
Interest	9,673	3,609	5,465
	215,981	307,974	182,326
Sewer collection and disposal			
Administration	-	44,736	-
Collection system	60,999	56,822	32,807
Treatment and disposal	15,999	56,822	32,807
Amortization	40,875	40,875	44,100
Interest	6,449	2,406	3,643
	124,322	201,661	113,357
	340,303	509,635	295,683